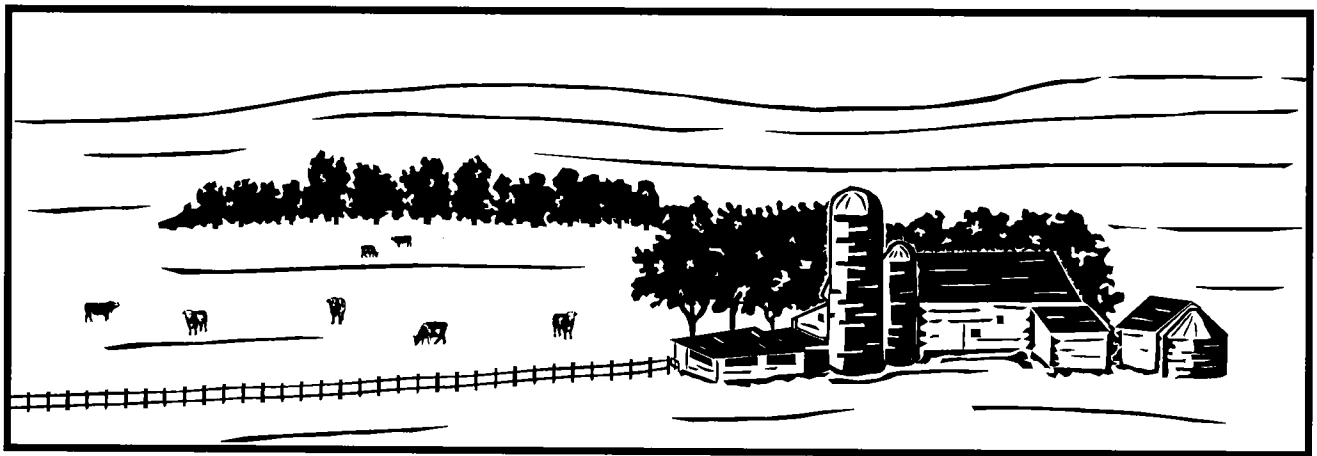


The California Land Conservation (Williamson) Act



1993 to 1995 Status Report

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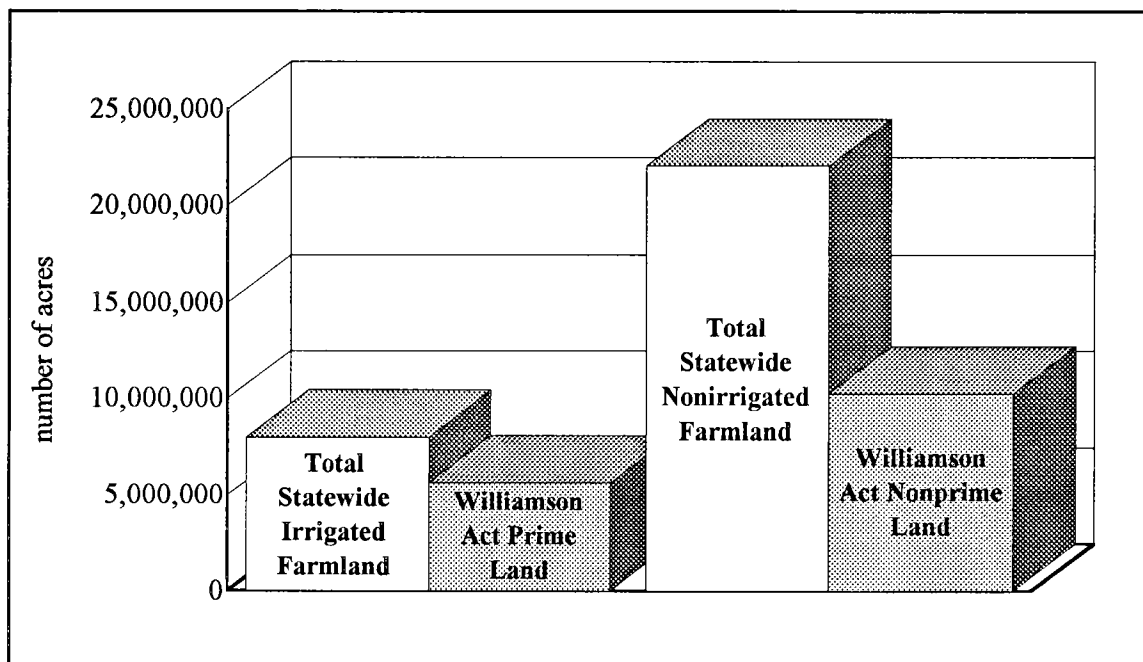


Figure 5. Williamson Act Land in Relation to Total Statewide Farmland Composition.

In 1994, California's total farm and ranch land consisted of nearly eight million acres of irrigated farmland and about 22 million acres of other farm and ranch land (California Department of Food and Agriculture 1995). Williamson Act land categories are defined such that Williamson Act prime lands are almost certain to be irrigated. With about 5.6 million acres of prime land enrolled under contract, the Williamson Act thus protects over 70 percent of the state's total irrigated farmland (Figure 5). In other words, a far greater proportion of the state's most valuable farmland is protected by the Williamson Act compared to the amount of range land and grazing land which is protected.

Notwithstanding these arguments, one of the fundamental purposes stated for the Williamson Act is the preservation of open-space land. The preservation of land for open space encompasses less tangible merits. These lands, which include California's oak savannah, offer immeasurable scenic and

recreational values. Perhaps just as important, nonprime lands form portions of upland watersheds whose protection from unnecessary subdivision and development is important to water quality, fisheries and downstream flood management. The benefits of the Williamson Act in protecting nonprime land are of considerable significance, and not necessarily less than the benefits of protecting prime lands.

Regional Patterns

Forty-seven counties and 15 cities currently participate in the Williamson Act Program. The amount of contracted acreage and level of enrollment activity varies widely between these jurisdictions. To analyze patterns of enrollment activity, counties are clustered into six regions: Bay & Central Coast, Foothill & Sierra, North Coast & Mountain, Sacramento Valley, San Joaquin Valley, and South Coast & Desert (Figure 6).

Williamson Act Regions

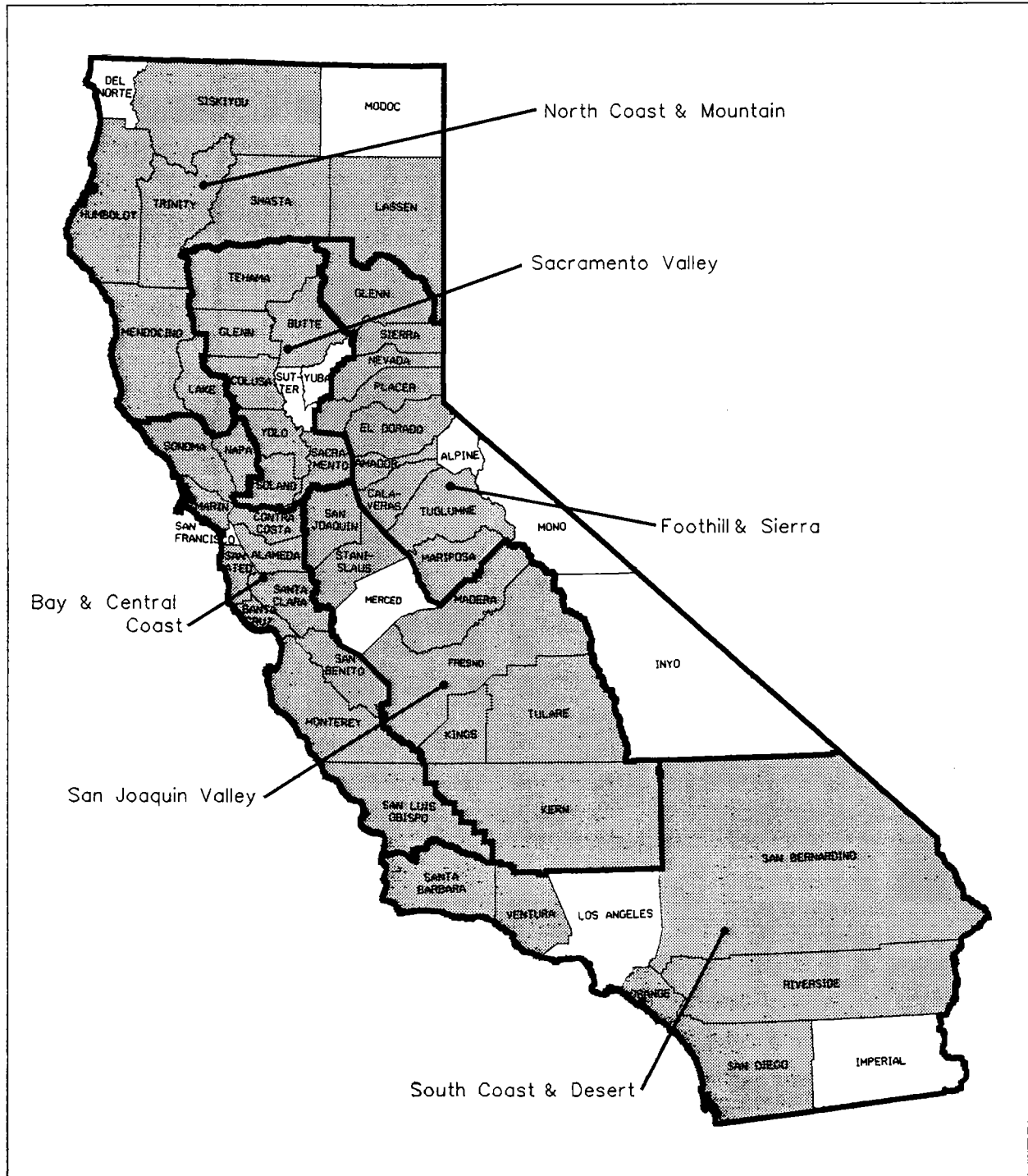


Figure 6. Counties not filled-in do not participate in the Williamson Act.

Counties are aggregated primarily on the basis of their location and sharing of similar land use and farming characteristics with other counties in the region. The regions were first devised for the 1989 Department of Conservation report *Land in the Balance: Williamson Act Costs, Benefits, and Options*. For the sake of clarity, only counties are included in the regions; the 15 cities together account for only about 45,000 acres of enrolled land--about two-tenths of one percent of the statewide total.

Total Enrolled Acreage

About 45 percent of the total statewide Williamson Act acreage is concentrated in the San Joaquin Valley region (Table 4). In terms of output value, the San Joaquin Valley is undoubtedly the state's most important agricultural region; it includes the nation's top three agricultural counties by value of production--Fresno, Tulare, and Kern. Together these counties account for about \$7.5 billion of California's \$20 billion annual agricultural production value (California Department of Food and Agriculture 1995).

In addition to holding the largest share of enrolled acreage, the San Joaquin Valley also contains the highest proportion of prime Williamson Act land. Nearly 60 percent of the region's enrolled acreage is classified as prime. The average proportion of prime to nonprime for all six regions is about 23 percent.

In terms of net changes, it is interesting that the state's traditional farming regions--the Sacramento and San Joaquin valleys--experienced net enrollment losses while the Foothill & Sierra and North Coast & Mountain regions experienced significant net gains between 1993 and 1995 (Table 5).

Although these patterns must be due to many factors, studies indicate that the urbanization of agricultural land in traditional farming regions is directly linked to the opening of previously unfarmed areas to agricultural production (e.g., Jones and Stokes 1991). It would be simplistic to conclude that for every acre of farmland converted on the floors of the Sacramento or San Joaquin valleys there is an acre of new farmland added in other areas. If, however, Williamson Act enrollment is an indicator of broad farmland patterns, then a trend along these lines may be suggested.

Region	Prime Land			Non-prime	Total
	Urban	Other	Total		
Bay & Central Coast	53,795	250,353	304,147	2,825,425	3,129,572
Foothill & Sierra	1,495	59,266	60,761	724,931	785,692
North Coast & Mountain	479	173,117	173,596	1,411,749	1,585,345
Sacramento Valley	136,075	631,529	767,604	1,733,754	2,501,358
San Joaquin Valley	387,739	3,750,798	4,138,537	2,800,765	6,939,303
South Coast & Desert	84,610	115,673	200,283	706,128	906,411
Totals	664,193	4,980,736	5,644,929	10,202,752	15,847,681

Table 4. Total Williamson Act Acreage (as of March 1, 1995).

Region	Contract Terminations				New Enrollments	Acreage Adjustments	Net Change
	Non-renewals Initiated	Cancellations	Public Acquisitions	Total			
Bay & Central Coast	4,888	265	24,447	29,600	40,090	(1,382)	9,108
Foothill & Sierra	6,962	0	12	6,974	11,814	(321)	4,519
North Coast & Mountain	1,007	0	801	1,808	22,160	(3,488)	16,864
Sacramento Valley	8,081	13	22,442	30,536	10,691	210	(19,635)
San Joaquin Valley	18,147	5,480	12,582	36,209	41,526	(5,787)	(470)
South Coast & Desert	956	0	10,776	11,732	3,153	(322)	(8,901)
Totals	40,041	5,758	71,060	116,860	129,434	(11,090)	1,484

Table 5. Net Enrollment Changes (March 1, 1993 - March 1, 1995).

New Enrollments

Despite an overall net loss in total Williamson Act land of nearly 500 acres, the San Joaquin Valley was first among the six regions in new enrollments. Between 1993 and 1995, over 41,000 acres were newly enrolled in the region (Table 6). This figure represents about 32 percent of the total statewide newly enrolled acreage for the same period. Other than a notably significant proportion (nearly 6,000 acres) in Madera County, the San Joaquin Valley's new enrollments were distributed fairly evenly among all counties in the region.

Region	1993/94 Lien Year	1994/95 Lien Year
Bay & Central Coast	23,924	16,166
Foothill & Sierra	8,096	3,718
N. Coast & Mountain	10,340	11,820
Sacramento Valley	4,464	6,227
San Joaquin Valley	19,523	22,003
S. Coast & Desert	2,236	917
Totals	68,583	60,851

Table 6. New Enrollments.

The Bay & Central Coast region experienced a similarly high level of new enrollments--over 40,000 acres. Unlike the San Joaquin Valley, however, the Bay & Central Coast region enjoyed an overall net increase in Williamson Act land of about 9,100 acres during the two-year period. About half of the 40,000 newly enrolled acres were added in Monterey County.

In the North Coast & Mountain region about 22,000 acres were newly enrolled under contract between 1993 and 1995. Over half of these enrollments occurred in Lassen County.

New enrollment activity was modest in the Sacramento Valley and Foothill & Sierra regions, with about 11,000 and 12,000 acres of newly enrolled contracts respectively. Tehama County accounted for the largest concentration of new enrollments in the Sacramento Valley, with about 41 percent of the region's total. In the Foothill & Sierra region nearly all new enrollments were concentrated in Mariposa County.

About 3,000 acres were newly enrolled in the South Coast & Desert region between 1993 and 1995, with almost 80 percent concentrated in Ventura County.

Nonrenewals Initiated

Nonrenewals were initiated on about 40,000 acres of enrolled land statewide between 1993 and 1995 (Table 7). Repeating the pattern for new enrollments, the San Joaquin Valley region accounted for the largest single share--over 18,000 acres, or roughly 45 percent of the total.

Region	1993/94 Lien Year	1994/95 Lien Year
Bay & Central Coast	3,610	1,278
Foothill & Sierra	641	6,321
N. Coast & Mountain	949	58
Sacramento Valley	5,134	2,947
San Joaquin Valley	12,234	5,913
S. Coast & Desert	544	412
Totals	23,112	16,929

Table 7. Nonrenewals Initiated.

In the Sacramento Valley and Foothill & Sierra regions, nonrenewals were initiated on about 8,000 and 7,000 acres respectively. Over half of the acreage for the Foothill & Sierra region was concentrated in El Dorado County.

In the Bay & Central Coast region, nonrenewals were initiated for about 4,900 acres over the two-year period. About 38 percent (roughly 1,800 acres) of this acreage was concentrated in Sonoma County.

The North Coast & Mountain and South Coast & Desert regions experienced low levels of nonrenewal activity, with nonrenewals initiated on only about 1,000 acres in each region between 1993 and 1995. Siskiyou County took up the bulk of the nonrenewal activity in the North Coast & Mountain region, with about 800 acres.

Nonrenewal Expirations

Contract nonrenewals expired on over 80,000 acres statewide between 1993 and 1995--twice the acreage for which nonrenewals were initiated over the same period. These figures mean that only half as much land is currently entering the process of nonrenewal compared to 10 years ago.

About one-third of the acreage for which nonrenewals expired between 1993 and 1995 was concentrated in the Bay & Central Coast region (Table 8). San Luis Obispo and Sonoma counties accounted for the bulk of this concentration, with about 7,800 acres and 6,200 acres respectively.

Region	1993/94 Lien Year	1994/95 Lien Year
Bay & Central Coast	16,108	10,604
Foothill & Sierra	1,637	1,814
N. Coast & Mountain	799	1,293
Sacramento Valley	2,672	7,550
San Joaquin Valley	16,099	5,741
S. Coast & Desert	8,867	7,296
Totals	46,182	34,298

Table 8. Nonrenewals Expired.

Not far behind the Bay & Central Coast region in terms of expired nonrenewals were the San Joaquin Valley and South Coast & Desert regions, with about 22,000 and 16,000 acres respectively. Roughly 82 percent (about 18,000 acres) of the expirations for the San Joaquin Valley region occurred in Kern County. In the South Coast & Desert region, expired nonrenewals were concentrated primarily in Ventura and Orange counties, with about 7,500 and 4,300 acres respectively.

With about 10,200 acres of expired nonrenewals for the two year period, the Sacramento Valley region accounted for roughly 12 percent of the statewide total. The largest concentrations were in Sacramento and Tehama counties, with about 2,900 and 4,800 acres respectively.

Low levels of nonrenewal expiration occurred in the Foothill & Sierra and North Coast & Mountain regions. About 3,500 nonrenewal acres expired in the Foothill & Sierra region, with roughly one-third of this acreage concentrated in Placer County. The North Coast & Mountain region saw nonrenewals expire on only about 2,100 acres between 1993 and 1995. About 44 percent of these expirations occurred in Mendocino County.

Cumulative Nonrenewals

As of March 1, 1995, the proportion of enrolled acreage in the process of nonrenewal was roughly 4 percent for the state (Table 9). On average, about 5 percent of each region's total enrolled acreage is under nonrenewal. The range runs from a low of about 2 percent in the North Coast & Mountain region, to a high of about 9 percent in both the Foothill & Sierra and South Coast & Desert regions.

Most regions have a higher percentage of their prime--especially urban prime--land under nonrenewal. The regional averages for each category are 24 percent, 9 percent, and 4.5 percent for urban prime, other prime, and nonprime respectively. Between regions, however, the actual proportions vary widely.

About one-third (roughly 213,000 acres) of the state's total cumulative nonrenewal acreage is concentrated in the San Joaquin Valley region. Relative to other regions, however, the San Joaquin Valley

actually has a fairly low *proportion* (about 3 percent) of its enrolled acreage under nonrenewal. Only 8 percent of the region's urban prime and 3 percent of its other prime land is under nonrenewal--proportions significantly lower than the average for all six regions. About 37 percent and 26 percent of the San Joaquin Valley region's cumulative nonrenewal acreage is concentrated in Kern and Stanislaus counties respectively.

The Bay & Central Coast region also has roughly 3 percent (about 97,000 acres) of its total enrolled acreage in the process of nonrenewal. High proportions of this acreage are concentrated in Alameda, San Benito, and Santa Clara counties, with roughly 16,000, 18,000, and 24,000 acres under nonrenewal respectively. The land category composition of the region's cumulative nonrenewal acreage follows very closely the average for all six regions.

Region	Prime Land	Non-prime	Total
Bay & Central Coast	6%	3%	3%
Foothill & Sierra	23%	8%	9%
N. Coast & Mountain	1%	2%	2%
Sacramento Valley	7%	4%	5%
San Joaquin Valley	3%	3%	3%
S. Coast & Desert	17%	7%	9%
Totals	4%	4%	4%

Table 9. Cumulative Nonrenewal Proportions.

The Sacramento Valley region meets the statewide nonrenewal proportion average of about 5 percent with roughly 126,000 acres in the nonrenewal process. The largest concentration of this acreage is in Sacramento County, where about 44,000 acres are under nonrenewal.

With about 71,000 and 86,000 nonrenewal acres respectively, the Sierra & Foothill and South Coast & Desert regions each have equally high proportions (about 9 percent) of their Williamson Act acreage under nonrenewal. About 30 percent of the South Coast & Desert region's nonrenewal acreage is concentrated in Orange County. In fact, about two-thirds of Orange County's Williamson Act land--including nearly all of its urban prime acreage--is under nonrenewal. These figures indicate that urbanization pressures in Orange County have prompted a majority of landowners to opt out of the Williamson Act Program.

The Foothill & Sierra region has the highest proportion of its prime acreage under nonrenewal. Well over two-thirds (about 71 percent) of the region's urban prime land, in fact, and roughly 22 percent of its other prime land are in the process of nonrenewal. Placer County represents the largest concentration, with about 40 percent of its enrolled acreage under nonrenewal.

About 2 percent of enrolled acreage in the North Coast & Mountain region is under nonrenewal. The majority of this acreage (nearly 78 percent) is concentrated in Mendocino County alone. The region has the lowest proportion of its prime land in process of nonrenewal--less than 1 percent.

Cancellations

Due to the difficult findings required for approval, cancellations typically account for a very small fraction of total contract terminations. During the 1993/94 lien year, contracts were canceled for only 145 acres throughout the state (Table 10). This figure represents about three-tenths of 1 percent of the total terminations for that period.

For the 1994/95 lien year, contract cancellations jumped significantly, to 5,613

acres. Of this figure, however, 5,068 acres were accounted for by a single cancellation in Stanislaus County. Cancellation of the Williamson Act status on this land is intended to accommodate the development of a proposed new town. The proposal is controversial, however, and is currently being challenged by interest groups in the Fifth District Court of Appeal.

Region	1993/94 Lien Year	1994/95 Lien Year
Bay & Central Coast	0	265
Foothill & Sierra	0	0
N. Coast & Mountain	0	0
Sacramento Valley	13	0
San Joaquin Valley	132	5,348
S. Coast & Desert	0	0
Totals	145	5,613

Table 10. Contract Cancellations.

Excluding this cancellation from the total, contracts were canceled for only 545 acres throughout the rest of the state. Most of this remaining acreage was concentrated in Madera and Santa Cruz counties.

Public Acquisitions

The proportion of public acquisitions to total contract terminations has increased dramatically over the last five years. During the 1990/91 lien year, public acquisitions accounted for about 16 percent of all terminations. By the 1993/94 lien year this proportion had climbed to about 60 percent. The most recent data indicates this trend may have begun to retreat or at least stabilize; during the 1994/95 lien year public acquisitions accounted for about 55 percent of all terminations.

Between 1993 and 1995, contracts on about 71,000 acres were terminated through public acquisition (Table 11). The largest single shares of this acreage were in the Sacramento Valley and Bay & Central Coast regions, with about 22,000 and 24,000 acres respectively. In the Sacramento Valley region, half of these terminations occurred in Tehama County, with Butte and Sacramento counties also accounting for significant shares of about 3,400 and 3,700 acres respectively. In the Bay & Central Coast region, about half of the public acquisitions were concentrated in Santa Clara County.

Region	1993/94 Lien Year	1994/95 Lien Year
Bay & Central Coast	20,191	4,256
Foothill & Sierra	10	2
N. Coast & Mountain	796	5
Sacramento Valley	6,191	16,251
San Joaquin Valley	5,931	6,651
S. Coast & Desert	2,485	8,291
Totals	35,604	35,456

Table 11. Public Acquisitions.

The San Joaquin Valley region and South Coast & Desert region each comprised roughly one-sixth of all public acquisitions (about 13,000 and 11,000 acres respectively). About 25 percent (roughly 3,200 acres) of the San Joaquin Valley region's public acquisitions occurred in Kern County. Riverside County accounted for a nearly 70 percent concentration of the South Coast & Desert region's total.

The Foothill & Sierra and North Coast & Mountain regions each had negligible levels of public acquisition. In the Foothill & Sierra region only 12 acres were terminated through public acquisition between 1993 and 1995--seven acres in El Tuolumne County and five acres in El

Dorado County. The North Coast & Mountain region saw 801 acres terminated through public acquisition, all of which were concentrated in Lake County.

During the 1993/94 lien year, the Department of Conservation prepared an analysis of the types of public improvements for which Williamson Act contracts were terminated. While the largest single share of all public acquisitions of Williamson Act land during the period (about 39 percent) were for the purpose of conversion to wildlife habitat (Figure 7), half of all such conversions occurred in Butte County alone. This single acquisition probably represents a somewhat anomalous "spike" in the data. On a continuous basis conversion to wildlife habitat probably does not comprise as large a proportion of the total.

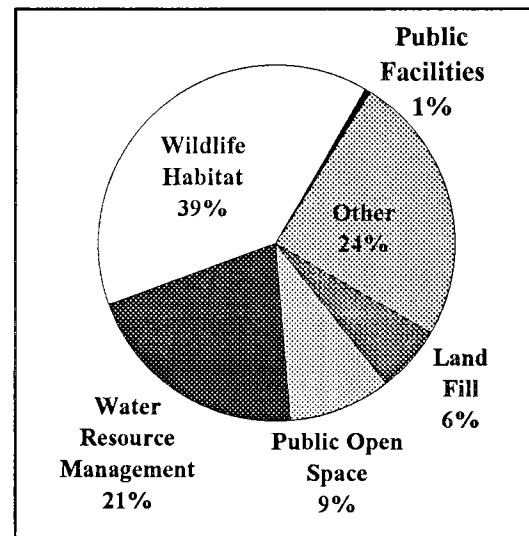


Figure 7. Alternative Uses of Williamson Act Land Acquired for Public Improvement.

Nonetheless, it should be noted that the majority of public improvements on Williamson Act land are for purposes related to open-space use. In other words, Williamson Act land acquired for public improvement does not necessarily lose protection as open space simply by virtue of

being removed from enrollment. In some cases, the land may be acquired for the purpose of placing it under permanent protection. Bearing these facts in mind, the public acquisition of Williamson Act land becomes a less pressing issue in terms of open space preservation.

Water resource management projects, such as flood control, new or expanded reservoirs, and drainage ponds accounted for a 21 percent share of the total. With the available data, about 24 percent of the total publicly acquired land could not be broken into specific alternative use categories. With the adoption of better recording methods, the Department will attempt to provide more comprehensive analysis of this type of data in the future.

Williamson Act Land Valued Under Proposition 13 Provisions

When Proposition 13 was passed in 1978 it was expected that Williamson Act enrollment would decline significantly. In fact, however, the measure had a negligible effect on program participation.

In 1982 the Department of Conservation prepared a study regarding the effects of Proposition 13 on the overall tax benefits of the Williamson Act to landowners. It was discovered that the tax savings realized as a result of participation in the program had dropped by only about 20 percent. The average tax savings still amounted to as much as 83 percent, depending upon how recently the property in question had changed ownership. Even with a base year of 1975, tax reductions were as high as 62 percent.

Proposition 13 had decreased the tax benefits of the Williamson Act, but not nearly enough to discourage landowner participation. With the average base year increasing since 1982, it is likely that the tax

benefits of the Williamson Act have only increased since the study was completed.

Statewide, only about 3 percent of the total land enrolled under the Williamson Act is assessed lower under the provisions of Proposition 13 (Revenue and Taxation Code Section 110.1). This proportion is relatively stable among all six regions (Table 12).

Region	Prime Land	Non-prime	Total
Bay & Central Coast	8%	1%	1%
Foothill & Sierra	2%	1%	3%
N. Coast & Mountain	--	--	--
Sacramento Valley	9%	1%	3%
San Joaquin Valley	7%	1%	4%
S. Coast & Desert	5%	--	1%
Totals	7%	< 1%	3%

Table 12. Proportions of Williamson Act Land Valued Under Proposition 13 Provisions.

Open Space Subvention Payments

Under the Open Space Subvention Act, local governments receive state payments for eligible land enrolled under Williamson Act contract. The payments are made at a rate of \$5.00 per acre for land defined as prime under the Williamson Act, and \$1.00 per acre for other (nonprime) land. Prior to 1993, an additional category, urban prime, provided for payments of \$8.00 per acre. The urban prime category made special recognition of otherwise prime agricultural lands within or near city boundaries. Urban prime lands are still reported to offer a more detailed analysis of enrollment patterns.

Only land which receives the full property tax relief of the Williamson Act is eligible for subvention payment. Land which is in the process of nonrenewal is subject to gradual increases in property tax assessments over the nonrenewal period, and is therefore not eligible for payment. In addition, land which is assessed lower under the provisions of Proposition 13 than under Williamson Act valuation (Revenue and Taxation Code Section 423 and 423.5) is not eligible.

Of the 15.9 million acres of Williamson Act land, about 4 percent are in the process of nonrenewal, and about 3 percent are valued lower under the provisions of Proposition 13 than under the Williamson Act. Thus about 7 percent (roughly one million acres) of the total enrolled acreage is ineligible for state payment under the Open Space Subvention Act.

About five million acres of prime land and about 9.8 million acres of nonprime land are eligible for payment. For the 1994/95 lien year, these figures translated to a total payment amount of close to \$35 million to participating local jurisdictions from the state. This amount has remained stable over the past several years.

The distribution of subvention payments closely match the proportions of total enrolled acreage for each of the six regions (Table 13). In other words, no region has a significantly higher proportion of its total acreage eligible for payment than any other. The San Joaquin Valley thus receives the greatest portion of the total subvention amount--about \$21.2 million. Among the other five regions, payment amounts range from about \$900,000 for the Foothill & Sierra region, to about \$4.9 million in the Sacramento Valley.

Region	1993/94	1994/95
	Lien Year	Lien Year
Bay & Central Coast	\$3.99	\$4.03
Foothill & Sierra	\$0.89	\$0.89
N. Coast & Mountain	\$2.22	\$2.24
Sacramento Valley	\$4.88	\$4.87
San Joaquin Valley	\$21.25	\$21.32
S. Coast & Desert	\$1.42	\$1.44
Totals	\$34.64	\$34.79

Table 13. Subvention Payment Amounts (in millions).